

## Message Text

LIMITED OFFICIAL USE

PAGE 01 LIMA 05310 021902Z

63

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 L-03 H-02 AID-05 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 /054 W

----- 031495

R 021742Z JUL 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC 5746

USDA/FAS WASHDC

LIMITED OFFICIAL USE LIMA 5310

E.O. 11652: N/A

TAGS: ETRD, EAGR, PE

SUBJECT: HOUSE OF REPRESENTATIVES SUGAR HEARINGS AND  
INFORMATION

REF: STATE 141876

1. AGATTACHE QUESTIONED CECO AAP OFFICIALS WHO SUPPLIED  
THE FOLLOWING INFORMATION:

(A) CURRENT SUGAR PRODUCTION COST IS ESTIMATED ABOUT  
EIGHT US CENTS PER POUND, ALTHOUGH FURTHER COST INCREASES  
ARE EXPECTED FOLLOWING YESTERDAY'S ANNOUNCEMENT THAT  
GOVERNMENT HAS FIXED GENERALLY HIGHER PRICES, INCLUDING  
FUELS (SEE LIMA 5303).

(B) RETAIL SUGAR WAS AMONG THE FEW COMMODITIES FOR  
WHICH PRICES WERE NOT INCREASED, REMAINING AT 5.9 CENTS  
PER POUND FOR REFINED AND 5.2 CENTS FOR BROWN SUGAR.  
THESE PRICES HAVE PREVAILED SINCE 1967.

(C) EXPORTS IN 1974 AVERAGED 19.4 CENTS PER POUND  
F.O.B.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LIMA 05310 021902Z

(D) PRODUCTION 96 POLARIZATION SUGAR 1975 ESTI-

MATED 1,027 THOUSAND M.T., INCREASING TO 1,057 THOUSAND M.T. IN 1980. EXPORTS ARE ESTIMATED TO DECLINE FROM AN ESTIMATED 425 THOUSAND 1975 TO 180 THOUSAND 1980.

(E) PERU IS PLANNING JUNGLE SUGAR PROJECT WHICH MAY BE IN PRODUCTION BY ABOUT 1979-80, BUT GOVERNMENT GENERALLY OPPOSES NEW PLANTINGS OR MILL EXPANSION ON COAST DUE TO HIGHER PRIORITIES FOR FOOD AND GRAIN CROPS.

(F) CONSUMPTION GROWTH IS ESTIMATED AT 7 PERCENT ANNUALLY.

(G) PERU HAS NO LONG-TERM SUGAR COMMITMENTS BUT WOULD PROBABLY BE INTERESTED IN AGAIN PARTICIPATING IN U.S. AGREEMENT IF RENEWED.

(H) GOVERNMENT NOW FIXES DOMESTIC SUGAR PRICE LEVELS WITH FOOD SUPPLY AGENCY EPSA DISTRIBUTING SMALL PERCENTAGE OF TOTAL DOMESTIC REQUIREMENT. IT IS ALTHOGETHER POSSIBLE THAT GOVERNMENT MIGHT LATER DESIRE GREATER PARTICIPATION IN SUGAR MARKETING AND EXPORT.

DEAN

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUGAR, US CONGRESSIONAL HEARINGS, PRODUCTION DATA, EXPORT DATA, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LIMA05310  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750229-1215  
**From:** LIMA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750792/aaaadejy.tel  
**Line Count:** 83  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 141876  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12 SEP 2003 by CunninFX>; APPROVED <09 OCT 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** HOUSE OF REPRESENTATIVES SUGAR HEARINGS AND INFORMATION  
**TAGS:** ETRD, EAGR, EPAP, PE  
**To:** STATE USDA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006